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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, OCTOBER 1, 1999

NOTIFICATION OF

EVAN ENERGY COMPANY, L.C.

CASE NO. PUE990434

To provide transmission and delivery service ancillary to an exempt sale of gas in Wise County pursuant to § 56-265.4:5 of the Code of Virginia

ORDER DOCKETING PROCEEDING AND PROVIDING FOR NOTICE

On June 22, 1999, Evan Energy Company, L.C. ("Evan" or "the Company"), notified the State Corporation Commission, pursuant to § 56-265.4:5 of the Code of Virginia, of its plan to provide transmission facilities and delivery service ancillary to an exempt sale of natural gas to Red Onion State Prison, Wise County. To provide this service, Evan proposes to construct approximately 50,222 feet of line with a diameter of three inches. As shown on a map and route description attached to its notification, the line would run from Evan's Mount Olive pipeline to a connection valve at the Red Onion State Prison. All proposed construction would be in Wise County.

According to the application, Equitable Production Company will sell gas to Red Onion State Prison solely for use at the

prison as boiler fuel and for other fuel requirements.¹ Evan has contracted with the Virginia Department of Corrections to provide transmission and delivery services for the gas purchased from Equitable Production Company.

Evan stated in its application that, based upon its information, Red Onion State Prison is not within a territory for which a certificate to provide gas service has been issued by the Commission under the Utility Facilities Act and, as of the date of the filing of its notification to the Commission, the prison is not located within any area, territory, or jurisdiction served by a municipal corporation that provided gas distribution service as of January 1, 1992.

On July 30, 1999, the Commission's Division of Energy Regulation filed with the Commission's Document Control Center a memorandum concerning Evan's notification. The Division of Energy Regulation had investigated the location of Red Onion State Prison and had determined that the facility was not located within a territory for which a certificate of public convenience and necessity had been granted. Likewise, the facility was not located within any area, territory, or jurisdiction served by a municipal corporation that provided gas distribution service as of January 1, 1992.

¹ On June 25, 1999, Equitable Production Company filed with the Commission a notification of its plan to provide transmission and services to Red Onion State Prison. This matter has been docketed as Case No. PUE990435.

The Commission finds that this matter should be docketed. Upon consideration of the notification and the Division of Energy Regulation investigation, the Commission determines that Red Onion State Prison is not located within a territory for which a certificate has been granted nor, as of the time the Commission received the notification provided for by § 56-265.4:5 of the Code of Virginia, is it located within any area, territory, or jurisdiction served by a municipal corporation that provided gas distribution service as of January 1, 1992.

The Commission further finds that this Order Docketing

Proceeding and Providing for Notice shall serve as notice of

Evan's plans to furnish transmission and delivery service, and a

copy shall be mailed to all public utilities providing gas

service in the Commonwealth.

Accordingly, IT IS ORDERED THAT:

- (1) This matter shall be docketed and assigned Case No. PUE990434; that all associated papers be filed therein; and that a copy of the notification and associated papers be available for public inspection in the Commission's Document Control Center, located on the First Floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia, between 8:15 a.m. and 5:00 p.m. on all regular Commission business days.
- (2) Forthwith upon receipt, the Clerk of the Commission,

 Document Control Center shall serve by United States mail a copy

of this Order upon the public utilities providing natural gas service in the Commonwealth listed in Appendix A.

- (3) Within sixty (60) days of the date of this Order, any public utility providing gas service in the Commonwealth may apply to the Commission to provide the service proposed in this notification by Evan.
 - (4) This matter shall be continued.